

DAILY REPORT

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Asia & Pacific

Vol IV No 129

6 July 1982

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MITI TO ASK U.S. TO REVIEW EMBARGO AGAINST USSR

OW021227 Tokyo KYODO in English 1212 GMT 2 Jul 82

[Text] Tokyo, July 2, KYODO -- The Ministry of International Trade and Industry (MITI) will make a strong representation against the U.S. Government's recent extension of sanctions against the Soviet Union, which has stalled a joint Japan-Soviet oil and gas project off Sakhalin, informed sources said Friday. At the same time, MITI will renew its demand for exemption of the project from the U.S. ban on oil exploration equipment, they said.

However, the sources said, prime emphasis will be laid on demand for a review of the U.S. embargo itself rather than on request for exemption. This reflects MITI's deep dissatisfaction that embargo has been extended to overseas subsidiaries and licensees of U.S. firms. Application of domestic law beyond the national boundary is not permitted generally under international law. MITI's move will bring Japan into line with West European nations, which have already voiced strong protest against the U.S. embargo announced on May 18.

Immediately after the announcement of strengthened sanctions against the Soviet Union, Japan asked the U.S. to treat the Sakhalin project as an exception, noting that the suspension of the project would penalize this country rather than the Soviet Union. But the appeal went unheeded. Washington's ban on export of electric logging equipment for the project off the Soviet-held northern island has made it impossible to continue exploration of the continental shelf there. As a result, talks between Sakhalin Oil Development Co. of Tokyo and the Soviet Government over the continuation of the project are having rough sailing, the sources said.

JAPAN, USSR AGREE TO CONTINUE SAKHALIN PROJECT

OW031238 Tokyo KYODO in English 1217 GMT 3 Jul 82

[Excerpt] Tokyo, July 3, KYODO -- Japan and the Soviet Union have agreed to continue their joint oil and natural gas development project off Sakhalin despite a U.S. ban on the use of American technology for the multibillion dollar venture, industry sources here said Saturday. The Japanese partner in the project, Sakhalin Oil Development Cooperation Co., had been concerned about a possible Soviet cancellation of the project.

The sources said the agreement was reached during talks in Moscow last week between company president Sadao Kobayashi and Soviet Vice Foreign Trade Minister Vladimir Sushkov. The joint project involves undersea oil and natural gas fields in the Chaivo and Odoptu districts off the northeastern coast of the island.

Kobayashi and Sushkov agreed to continue the project in the Chaivo district as scheduled, the sources said. They said initial exploration has already been completed. The sources said the two also agreed to use Soviet drilling equipment in the Odoptu district instead of U.S. machines affected by American economic sanctions against Moscow over its intervention in domestic affairs in Poland. The agreement also reportedly calls for renegotiating the project to take account of delays caused by the withdrawal of a Japanese drilling rig using U.S. equipment.

OFFICIAL HINTS NO EXTRADITIONS IN IBM CASE

OW060401 Tokyo KYODO in English 0350 GMT 6 Jul 82

[Text] Tokyo, July 6, KYODO -- A senior official of the Justice Ministry said Tuesday that "an alleged criminal deed (in connection with the IBM industrial espionage case) apparently does not constitute a crime in Japan," thus suggesting no extradition of already indicted Hitachi, Ltd. staff to the United States. Hiroshi Maeda, director of the Criminal Affairs Bureau of the Justice Ministry, made the remark at a meeting of the House of Representatives Justice Committee.

This is the first official indication of government reluctance to comply with the expected request from U.S. authorities for extradition if Hitachi employees indicted by a U.S. federal grand jury last week.

Mitsubishi Electric Corp., the other Japanese company implicated in the case, hopes to settle the case at an early date through a "plea for no contest," according to sources close to the company. Mitsubishi is now going into legal details while continuing active pre-trial bargaining with U.S. law-enforcement authorities, the sources said.

The grand jury put off the decision on Mitsubishi employees at the request of American defense lawyers for the corporation. The lawyers asked the U.S. attorney's office for a delay in proceedings because they needed more time to study charges on Mitsubishi employees.

COMMODITY LOANS TO ROK STILL UNDER DISCUSSION

Foreign Ministry Official

OW021305 Tokyo KYODO in English 1225 GMT 2 Jul 82

[Text] Tokyo, July 2, KYODO -- Commodity credits might be provided to South Korea in the form of aid for development projects when the South Korean side has trouble raising sufficient capital domestically, the director general of the Foreign Ministry's Asian Affairs Bureau told the House of Representatives Foreign Affairs Committee Friday.

Kiuchi was responding to questions on South Korea's demands for massive commodity credits from the Japan Export-Import Bank, a major stumbling block in Seoul's request for multi billion dollar economic help from Japan. Akitane Kiuchi told the committee that it "would not be unthinkable" for Japan to cover between 10 percent to 30 percent of the cost of some development projects in this manner, but said he could not be more specific without determining Seoul's feelings on the matter. However, he stood by the ministry's position that it would be "extremely difficult" to provide the direct commodity credits that South Korea desires.

Japan frequently provides yen loans covering up to 30 percent of project costs in cases in which the partner country has trouble raising funds domestically. It has also provided commodity credits in exceptional cases in China when Chinese authorities have had trouble funding large-scale projects. The "commodity credits" to which Kiuchi referred would be yen loans used to cover a portion of labor and material costs in South Korean development projects.

The Foreign Ministry considers this proposal to have the advantage of being close to Seoul's desired commodity credits in nature, while not presenting problems at home, where the opposition parties oppose the provision of direct commodity credits. The Treasury, however, is also against providing commodity credits and differences of opinion remain within the Foreign Ministry itself. Kiuchi told the Lower House committee that the concerned ministries have not reached a decision on the issue yet.

Sakurauchi, Yi Continue Talks

OW051135 Tokyo KYODO in English 1109 GMT 5 Jun 82

[Excerpts] Tokyo, July 5, KYODO -- The Japanese and South Korean foreign ministers could not break the deadlock in their negotiations on Seoul's massive loan request Monday, but they agreed to hold an unscheduled third meeting Tuesday to discuss the economic aid issue. They also agreed to meet again if their third round of talks fails to produce agreement on the dollar 6 billion request for financing South Korea's 1982-86 economic development program.

Monday's meeting was the first between Japanese Foreign Minister Yoshio Sakurauchi and his South Korean counterpart Yi Pom-sok, who became the key Cabinet member in June.

During the talks, Sakurachi told Yi that Tokyo would sincerely and seriously consider Seoul's new request for dollar 4 billion in long-term, low-interest official development assistance (ODA) and commodity credits, in view of the traditional ties between the two countries, according to officials. At the same time, the Japanese foreign minister explained the difficulties of meeting the South Korean request and sought understanding of Japan's domestic circumstances.

Yi, citing the "special relations" between Japan and South Korea, strongly requested an increase in the share of ODA and commodity credits in Japan's offer totaling dollar 4 billion.

Foreign Ministry officials said that Monday's meeting would form the basis for mutual concessions to settle the issue. Both parties also agreed to hold working-level negotiations at an appropriate time.

Yi is now in Japan on his way back from a visit to the United States. He is scheduled to meet with Minister of International Trade and Industry Shintaro Abe, Finance Minister Michio Watanabe and Chief Economic Planner Toshio Komoto Tuesday. He will also meet Prime Minister Zenko Suzuki Wednesday.

Present at Monday's meeting were Japan's Ambassador to Seoul Toshikazu Maeda; Nobutane Kiuchi, director general of the Foreign Ministry's Asian Affairs Bureau; and Kenichi Yanagi, director general of the Ministry's Economic Affairs' Bureau. Representing South Korea were Assistant Foreign Minister Kong No-myong, Ambassador to Japan Choe Kyong-nok and other officials.

Watanabe: No New Offer

OW060211 Tokyo KYODO in English 0158 GMT 6 Jul 82

[Text] Tokyo, July 6, KYODO -- Finance Minister Michio Watanabe said Tuesday that Japan has no intention to make a new offer on South Korea's request for massive Japanese economic aid. Watanabe told reporters that the Japanese Government decided to extend dollar 4 billion -- dollar 1.5 billion in yen loans and dollar 2.5 billion in export-import bank loans -- to South Korea last April to finance its 1982-86 economic development program. He said this is the maximum offer Japan can make under the present circumstances.

Regarding a new South Korean request for dollar 2.3 billion in yen loans and dollar 1.7 billion in commodity loans for a total of dollar 4 billion in aid, Watanabe said the amount of yen credit wanted by Seoul is too big.

He said he will explain the Japanese policy when he confers with visiting South Korean Foreign Minister Yi Pom-sok later Tuesday. Chief Cabinet Secretary Kiichi Miyazawa also said Japan cannot make any new offer on the Korean aid request.

Further Watanabe Remarks

OW060427 Tokyo KYODO in English 0419 GMT 6 Jul 82

[Excerpts] Tokyo, July 6, KYODO -- Japan Tuesday rejected again South Korea's request for massive Japanese aid due to Japan's poor economic prospects. Finance Minister Michio Watanabe took the step when he received visiting South Korean Foreign Minister Yi Pom-sok at the Finance Ministry for about 30 minutes, officials said. He also told Yi that even if the negotiations are dragged out, the South Korean request would not be met.

Meeting newsmen after the meeting, Watanabe said that Japan would be ready to negotiate with South Korea on minor adjustments, such as the fund quota for each year, if the Koreans are willing to do so on the basis of the Japanese offer.

Regarding a new South Korean request for dollar 1.7 billion in commodity loans and dollar 2.3 billion in yen loans for a total of dollar 4 billion in aid, he said the commodity loan is offered to the poorest nations and there was no instance of a high income country like South Korea receiving such help.

REPORTAGE ON CHINESE DELEGATIONS IN DPRK

Union Team Departs

SK022302 Pyongyang KCNA in English 1600 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) -- The delegation of the All-China Federation of Trade Unions headed by its Vice-Chairman Han Ronghua left here for home by plane today.

It was farewelled at the airport by Vice-Chairman of the Central Committee of the General Federation of Trade Unions of Korea Mun Pyong-nok and Charge d'Affaires Ad Interim of the Chinese Embassy in Pyongyang He Zhangming.

Foreign Ministry Group

SK022348 Pyongyang KCNA in English 1613 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) -- Vice-Premier and Foreign Minister Ho Tam on July 2 met and had a friendly talk with the friendship visiting group of the Chinese Foreign Ministry headed by Fu Hao, advisor to the Foreign Ministry. Present on the occasion were Vice-Minister of Foreign Affairs Kim Chae-suk and Charge d'Affaires Ad Interim of the Chinese Embassy here He Zhangming. In the evening Vice-Premier and Foreign Minister Ho Tam arranged a dinner for the group.

CCP Workers Delegation

SK060340 Pyongyang KCNA in English 0330 GMT 6 Jul 82

[Text] Pyongyang, July 6 (KCNA) -- Comrade Kim Yong-nam on July 5 met and had a friendly talk with the party workers delegation of the Communist Party of China headed by Feng Wenbin, vice-president of the party school of the CPC Central Committee.

Present on the occasion were Hyon Chun-kuk, vice-director of a department of the Central Committee of the Workers Party of Korea, and Charge d'Affaires Ad Interim of the Chinese Embassy in Pyongyang He Zhangming.

Party Marks CCP Visit

SK060540 Pyongyang KCNA in English 0417 GMT 6 Jul 82

[Text] Pyongyang, July 6 (KCNA) -- He Zhangming, charge d'affaires ad interim of the Chinese Embassy in Pyongyang, arranged a party yesterday evening at his embassy upon the conclusion of the visit of a party workers delegation of the Communist Party of China to our country.

Head of the delegation Feng Wenbin, vice-president of the party school of the CPC Central Committee, spoke first at the party.

He referred to the fact that during its visit to Korea the delegation toured various places including Pyongyang and felt the unshakable will of the entire Korean people to reunify their country. Under the wise leadership of the Workers Party of Korea headed by Comrade Kim Il-song the Korean people have attained brilliant successes in the socialist revolution and construction by displaying the revolutionary spirit of self-reliance and strenuous endeavours, he said.

He went on: We express once again heartfelt thanks to the Central Committee of the Workers Party of Korea for your passionate welcome and cordial hospitality and for your active support to the socialist modernization of our country. We will convey the revolutionary comradeship of the Korean people to the Chinese people.

We will make all efforts in future, too, for the consolidation and development of the China-Korea friendship, he said, and stated: We sincerely wish the fraternal Korean people new greater victory in the struggle for implementing the decisions of the WPK Sixth Congress and in their great cause of achieving the independent and peaceful reunification of the country.

Kang Hyon-su, first vice-chairman of the Control Committee of the WPK Central Committee, spoke next. Noting that the fraternal Chinese people under the wise leadership of the Communist Party of China have achieved political stability and unity and made many successes in the struggle to turn China into a highly democratic and highly civilized, modern socialist power, he said:

We heartily wish the fraternal Chinese people greater success in the future in the struggle for modernizing the country and reunifying the whole country by having Taiwan returned to the motherland while firmly adhering to the four basic principles. In the future, too, we will always stand firm on the side of the fraternal Chinese people and actively support and encourage their struggle for their just cause.

Saying that the relations of class brothers, comrades-in-arms, sealed in blood between the peoples of the two countries will further consolidate and develop with each passing day, he emphasized: The Korea-China friendship will be evergreen like the pine-tree on Mt. Paektu.

The attendants raised glasses to the everlasting, great, blood-cemented militant friendship and unity between the parties and peoples of Korea and China, to the good health and long life of the great leader Comrade Kim Il-song, to the good health and long life of the dear leader Comrade Kim Chong-il, to the good health and long life of respected Comrade Chairman Hu Yaobang and to the good health and long life of respected Comrade Vice-Chairman Deng Xiaoping.

SOVIET ENVOY'S PARTY MARKS TREATY ANNIVERSARY

SK060525 Pyongyang KCNA in English 0337 GMT 6 Jul 82

[Text] Pyongyang, July 6 (KCNA) — G.A. Kriulin, Soviet ambassador to Korea, gave a reception at his embassy on the evening of July 5 on the occasion of the 21st anniversary of the conclusion of the Korean-Soviet Treaty of Friendship, Cooperation and Mutual Assistance. Invited there were Vice-Premier Kong Chin-tae and personages concerned. The reception was addressed by Ambassador G.A. Kriulin and Vice-Premier Kong Chin-tae.

The attendants raised glasses to the indestructible fraternal friendship and solidarity between the Korean and Soviet peoples, to the good health and long life of Comrade Kim Il-song, the great leader of our party and our people, and to the good health and long life of respected Comrade L.I. Brezhnev, general secretary of the Central Committee of the Communist Party of the Soviet Union and president of the Presidium of the Supreme Soviet of the USSR.

Dailies Mark Treaty Date

SK060542 Pyongyang KCNA in English 0433 GMT 6 Jul 82

[Text] Pyongyang, July 6 (KCNA) -- NODONG SINMUN and MINJU CHOSON July 6 dedicate articles to the 21st anniversary of the signing of the Treaty of Friendship, Cooperation and Mutual Assistance between the DPRK and the USSR.

NODONG SINMUN says in its article that the signing of the treaty by Korea and the Soviet Union in face of a strained situation in which the aggression and war manoeuvres of the imperialist reactionary forces became undisguised, was an event of weighty significance in the life of the two peoples.

The author of the article says that the treaty has contributed to thwarting and frustrating the aggression and war manoeuvres of the U.S. and other imperialists and their stooges, defending peace in Asia and the world and developing the friendly and cooperative relations between the Korean and Soviet peoples to a new, higher stage.

The article stresses: The Soviet people oppose the U.S. imperialist's occupation of South Korea and war provocation manoeuvres and express firm solidarity with our people in the cause of reunification. The Korean people will in the future further strengthen and develop their friendly and cooperative relations with the Soviet people against imperialism and for the victory of the cause of socialism and communism.

KONG CHIN-TAE MEETS GDR CIVIL AVIATION DELEGATION

SK060530 Pyongyang KCNA in English 0344 GMT 6 Jul 82

[Text] Pyongyang, July 6 (KCNA) -- Vice-Premier Kong Chin-tae on July 5 met and had a friendly talk with the civil aviation friendship delegation of the German Democratic Republic headed by Klaus Henkes, vice-minister of transport and "Interflug" general director. Present on the occasion were Director of the Civil Aviation Bureau Kim Yo-ung and GDR Ambassador to our country Hermann Schwiesau.

CONCLUDING REPORTAGE ON MALTESE PM VISIT

Agreement Signed

SK022259 Pyongyang KCNA in English 1558 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) -- An agreement on economic and technical cooperation between the Governments of the Democratic People's Republic of Korea and the Republic of Malta was signed in Pyongyang on July 2.

Present at the signing ceremony on our side were Vice-Premier Kong Chin-tae, Vice-Minister of Foreign Affairs Cho Kyu-il and DPRK Ambassador Extraordinary and Plenipotentiary to Malta Kim Chi-sop.

Present on the Maltese side were Maltese Minister of Health Vincent Moran, Foreign Minister Alex Sceberra Trigona, Charge d'Affaires Ad Interim of the Maltese Embassy in Pyongyang C. Borg Marks, and others. The agreement was signed by Vice-Premier Kong Chin-tae and Minister of Health Vincent Moran upon authorization of their respective governments.

Maltese Tour Pyongyang

SK022336 Pyongyang KCNA in English 1602 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) — The government delegation of the Republic of Malta headed by Prime Minister Dominic Mintoff inspected the Tower of the Chuche Idea and the Arch of Triumph Friday morning.

The guests were accompanied by Premier Yi Chong-ok, Chairman of the Pyongyang Municipal People's Committee Kim Man-kum, Vice-Minister of Foreign Affairs Cho Kyu-il and DPRK Ambassador Extraordinary and Plenipotentiary to Malta Kim Chi-sop.

They went round with keen interest the Tower of the Chuche Idea, a grand monumental edifice of the age of the workers party rising high imposingly on the bank of the Taedong River, and groups of statues around the tower.

The delegation went to the Arch of Triumph, a monument to the immortal revolutionary history of the great leader Comrade Kim Il-song.

Yi Chong-ok Attends Luncheon

SK022340 Pyongyang KCNA in English 1604 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) — The Government of the Democratic People's Republic of Korea arranged a luncheon today for the government delegation of the Republic of Malta headed by Prime Minister Dominic Mintoff. Present on the occasion were Premier Yi Chong-ok, Vice-Premier and Foreign Minister Ho Tam, Vice-Premier Kong Chin-tae, Vice-Minister of Foreign Affairs Cho Kyu-il and DPRK Ambassador Extraordinary and Plenipotentiary to Malta Kim Chi-sop.

Toasts were made by Premier Yi Chong-ok and His Excellency Prime Minister Dominic Mintoff. The participants raised glasses to the friendship and solidarity between the Korean and Maltese peoples, to the good health and long life of the great leader of the Korean people Comrade Kim Il-song, to the good health and long life of the dear leader Comrade Kim Chong-il and to the good health and long life of respected His Excellency Prime Minister Dominic Mintoff. The luncheon proceeded in a friendly atmosphere.

Delegation Departs

SK022344 Pyongyang KCNA in English 1607 GMT 2 Jul 82

[Text] Pyongyang, July 2 (KCNA) — The Maltese Government delegation headed by His Excellency Prime Minister Dominic Mintoff left Pyongyang today by special plane after paying a visit to our country at the invitation of the Government of the Democratic People's Republic of Korea.

Thousands of people turned out to Pyongyang airport carrying flags of the two countries, bunches of flowers and balloons in their hands to see off the goodwill envoy of the Maltese people.

Seen among the farewell bidders were a portrait of the great leader Comrade Kim Il-song and a portrait of His Excellency Dominic Mintoff, prime minister of the Republic of Malta.

The guests were seen off at the airport by Premier Yi Chong-ok, Vice-Premier and Foreign Minister Ho Tam, Vice-Premier Kong Chin-tae, chairmen of commissions and ministers of the Administration Council, leading personnel of working peoples organisations, generals of the Korean People's Army, men of education, culture, art and the press, and DPRK Ambassador Extraordinary and Plenipotentiary to Malta Kim Chi-sop. Diplomatic envoys of foreign countries in Pyongyang were also present at the airport.

Children's Union members presented bunches of flowers to His Excellency Prime Minister Dominic Mintoff and his party. At 2 p.m. the plane carrying the guests took off amid the warm sendoff of the crowd.

Kim Il-song Receives Message

SK031525 Pyongyang KCNA in English 1514 GMT 2 Jul 82

[Text] Pyongyang, July 3 (KCNA) — The great leader Comrade Kim Il-song, president of the Democratic People's Republic of Korea, received a message of thanks sent by Dominic Mintoff, prime minister of the Republic of Malta, upon leaving our country on July 2.

The message reads: Dear Excellency President,

All the members of the delegation of the Government of the Republic of Malta visiting the Democratic People's Republic of Korea would like to join me in thanking you most sincerely for the kind invitation to visit your marvelous country.

During our unfortunately too short but memorable stay in your beautiful country between the 30th of June and the 2nd of July, we were immeasurably impressed not only by the unprecedented and tumultuous welcome given to us by the tens of thousands who thronged the airport and the city of Pyongyang but also by the great achievements your republic has attained inspired by the chuche idea and under Your Excellency's wise leadership.

The friendship which characterizes relations between our two republics has been given a new and practical dimension as a result of the frank and detailed talks with Your Excellency. Our people will always remember these meetings with appreciation as the start of a new phase of cooperation.

Before returning home may I thank Your Excellency, also on behalf of all the members of my delegation, for the generous hospitality lavished on each one of us wherever we were in your most charming country.

Wishing you a long life and prosperity.

Sincerely yours.

ROK FISHING VESSEL ATTACKED BY NORTHERN PATROL

SK060510 Seoul Domestic Service in Korean 0300 GMT 6 Jul 82

[Text] The North Korean puppets fired at our fishing boat, which was catching fish on the high seas, and failed in an attempt to capture the boat.

A North Korean puppet patrol boat approached and fired at the Songjin No 5 belonging to the Mukho Fisheries Cooperative, which was engaging in fishing on the high seas about 220 miles northeast of Ulnung-do at around 1730 yesterday, but failed in an attempt to capture the boat, the Office of Fisheries Administration announced today.

According to the Office of Fisheries Administration, a North Korean puppet patrol boat suddenly appeared and urged the Songjin No 5 to defect to the North. They shot indiscriminately while the other boat was engaged in fishing on the high seas along with our other fishing craft. The Songjin No 5 had a narrow escape from death. The Office of Fisheries Administration said that the Songjin No 5 was returning to Mukho Port under the protection of our navy and that there were no casualties.

In the meantime, the Office of Fisheries Administration said that it would reveal the truth by investigating the case as soon as the Songjin No 5 returned. It denounced as an inhumane act the North Korean puppet's indiscriminate shooting at our fishing fleet, which was peacefully catching fish on the high seas in the East Sea. It revealed that it would strongly protest to the North through the Military Armistice Commission and call for an immediate stop to such brutal acts.

YI, SAKURAUCHI DISCUSS LOAN AGREEMENT IN TOKYO

SK060252 Seoul YONHAP in English 0156 GMT 6 Jul 82

[Text] Tokyo, July 6 (YONHAP) — The two rounds of talks here Monday between South Korean Foreign Minister Yi Pom-sok and his Japanese counterpart Yoshio Sakurauchi have produced a glimmer of hope in the long-deadlocked negotiations between the two Asian neighbors over Seoul's request for Japanese loans.

Sakurauchi promised to give "favorable considerations" to South Korea's request for 1.7 billion U.S. dollars in commodity credits as part of the four billion dollar loan package. South Korea initially requested six billion dollars in Japanese Government loans last August. Japan had expressed reluctance to accommodate Seoul's request for commodity credits on the grounds that South Korea is an advanced developing country.

Assistant Foreign Minister Kong No-myong, a member of the Korean delegation at Monday's talks, told Korean correspondents that Sakurauchi pledged to seriously review South Korea's latest request for 2.3 billion dollars in official development aid (ODA) loans and the remaining 1.7 billion dollars in commodity credits "in view of the historical relations between the two countries."

Korean officials said Japan's positive reaction to the commodity credit issue, which has emerged as a centerpiece in the long negotiations, reflects its understanding of South Korea's need for those credits to help finance the country's fifth five-year economic development plan (1982-86).

Sakurauchi accepted Yi's invitation to visit South Korea to resume talks on the economic cooperation issue, and Korean officials said that visit will probably occur in early August.

On other issues, the two ministers agreed that tension continues to exist on the Korean Peninsula and Sakurachi voiced support for Seoul's efforts to safeguard its security and resume inter-Korean dialogue.

August Settlement Expected

SK050204 Seoul YONHAP in English 0148 GMT 5 Jul 82

[Text] Seoul, July 5 (YONHAP) -- Japan and South Korea are expected to finalize the negotiations over Korea's year-long request for six billion U.S. dollars in Japanese loans around the end of August, a Korean lawmaker said Monday.

Rep. Pak Kyong-sok, a deputy executive secretary of the Korea-Japan Parliamentarians' Union, said that Tokyo's decision on the issue was expected to be made by Prime Minister Zenko Suzuki by Aug. 21, when the Japanese Diet (parliament) is scheduled to recess.

Pak returned Saturday from a trip to Tokyo, where he and Rep. Yi Sang-ik, the Seoul-side chief executive secretary of the lawmakers' union, met with Prime Minister Zenko Suzuki, Foreign Minister Yoshio Sakurachi and Japanese parliamentary leaders. Pak quoted the Japanese prime minister as saying that he expected the Korean and Japanese foreign ministers to review the issue thoroughly to work out an early solution when they meet in Tokyo Monday. "I expect this week's (Korean-Japanese) foreign ministers' meeting to make much progress towards an early settlement of the loan issue, as Japan is showing some measure of flexibility to our counterproposal," Pak said.

ROK-CANADA SUMMIT TO EXPLORE MORE REACTOR SALES

SK060149 Seoul YONHAP in English 0133 GMT 6 Jul 82

[Text] Ottawa, July 5 (YONHAP) -- A senior external affairs source said Monday that additional Canadian sales of Candu nuclear reactors to South Korea would be a major topic of discussion at the forthcoming Korea-Canada summit talks scheduled for Aug. 28 to 31.

According to the source, the further promotion of bilateral commercial ties will be a major item on the summit agenda, and additional Candu sales will be brought up in that context. Two-way trade between Seoul and Ottawa reached 1 billion [no monetary unit supplied] in 1981, nearly 40 per cent more than in 1980.

The source said it was his understanding that Prime Minister Pierre Trudeau had specifically mentioned Ottawa's interest in further Candu exports to Korea in a personal letter to former Premier Yu Chang-sun sent early this year.

Canada has already sold a 678-megawatt nuclear power plant to Korea, which is now under construction at Wolsong in southeast Korea. Canada wants to sell Korea three additional Candu units costing about 1.5 billion [no monetary unit supplied] the source said. Ottawa urgently needs to sell more Candu units as its multi-billion-dollar nuclear industry is on the verge of collapse for lack of export sales. It has not sold a nuclear reactor at home or abroad since 1978.

'STEP-BY-STEP' UNIFICATION PROCESS SUGGESTED

SK050324 Seoul YONHAP in English 0302 GMT 5 Jul 82

[Text] Tokyo, July 4 (YONHAP) -- South Korean Unification Minister Son Chae-sik told a meeting of Korean expatriates here Sunday that Korean unification cannot be achieved by wishful thinking alone but required firm determination in a step-by-step approach.

Son made his remarks at a meeting of the prospective members of the Japan branch of the Advisory Council on Peaceful Unification Policy ACPUP under the control on the Korean Government. The meeting was held at the head office of "Mindan," an association of pro-Seoul Korean expatriates in Japan. Chang Chong-myong, the president of Mindan, was present at the conference.

According to officials traveling with Son, the South Korean Government plans to create similar overseas expatriate branches of ACPUP in the United States, Canada, Western Europe, South America and Australia.

CHAIRMAN MARKS DATE OF NORTH-SOUTH STATEMENT

SK040519 Seoul Domestic Service in Korean 0100 GMT 3 Jul 82

[Statement to the North by Seoul side Co-Chairman of the North-South Coordinating Committee Min Kwan-sik]

[Text] Tomorrow we mark the 10th anniversary of the publication of the historic 4 July North-South joint communique.

Ten years ago, both sides gave all fellow countrymen in the North and South great expectations for peace and stability on the Korean Peninsula and for reunification by announcing the North-South joint communique in Seoul and Pyongyang.

The basic idea of the 4 July joint communique was to remove misunderstanding and distrust between the North and South, which were caused by the long separation and confrontation, to ease tension and to accelerate the peaceful reunification of the fatherland, based on the desire for early achievement of the peaceful reunification of the fatherland.

Proceeding from the idea of the 4 July joint communique, we made every sincere effort to recover national trust by implementing the agreements made between both sides during the North-South dialogue, by ensuring the foundation for peace on this land and by realizing mutual interchange between the North and the South.

However, on 28 August, 1973, the North side unilaterally discontinued the operation of the North-South Coordinating Committee, which was being operated by the mutual agreement of both sides. It also violated the 4 July joint communique and all other agreements between the North and the South.

Nevertheless, we continuously urged the North Korean side to sincerely observe and implement all the agreements solemnly made between the North and the South based on the idea of the 4 July joint communique and to resume the normal operation of the North-South Coordinating Committees. However, the North Korean side is attempting to nullify the 4 July North-South joint communique by denying the role of the North-South Coordinating Committee.

We firmly believe that the way for the peaceful reunification of the fatherland lies in unconditionally resuming the dialogue, returning to the basic idea of the North-South joint communique, and solving the pending questions between the North and the South and the future problems of the nation through dialogue, sitting together face to face.

We have urged the North Korean side to actively respond to the concrete and practical measures we worked out to provide the plaza of dialogue, vowing our renewed efforts for the peaceful reunification in the 1980's.

We proposed mutual visits between the highest persons in authority in North and South on 12 January last year. On 5 February of the same year, we also proposed convening talks between the highest persons in authority in North and South. On 22 January this year, we put forward measures for national harmony and democratic reunification reflecting the people's desire for reunification. We proposed immediate implementation of 20 pilot projects, which arose from the idea of implementing measures for national harmony and democratic reunification. We also proposed convening talks between high-level officials from the North and the South, a proposal which took even the position of the North Korean side into consideration.

In spite of our sincere efforts to achieve the peaceful reunification of the fatherland, the North Korean side is refusing to come to the table of dialogue, exploiting the reunification issue for political propaganda and to slander the South. We cannot but deplore and worry over this.

On the occasion of the 10th anniversary of publication of the 4 July North-South joint communique, we once again urge the North Korean side to restore the function of the direct telephone line between the North and the South, recover national reason, to come to the table of dialogue in accord with the ideas of the 4 July North-South joint communique and to respond to discussion and resolution of future problems of our nation and pending questions with an open mind.

3 July 1982

Min Kwan-sik, acting co-chairman of Seoul side, the North-South Coordinating Committee

ROK ADOPTS 'REVOLUTIONARY' BANKING, TAX REFORMS

SK041052 Seoul THE KOREA HERALD in English 4 Jul 82 p 1

[Text] In a virtually revolutionary move for the nation's financial and overall economic system, the government announced yesterday that all financial transactions with banks, nonbank institutions and securities market must be done in real names. The real-name trade system will go into effect partly on Jan. 1 next year and fully on July 1 that year.

Presenting the far-reaching financial reform plan, Minister of Finance Kang Kyong-sik also told a press conference that the global or comprehensive income tax rates will get a sweeping cut from the current 76.5 percent at the maximum to a 50 percent level on the top-rate basis. The drastic plan calls for subjecting interest, dividends and other financial-asset income to global tax, while newly imposing capital gains tax on securities. At present, these income are taxed separately at a relatively low rate of 16.5 percent by withholding the levy at the time of payment.

Kang disclosed that the shifts on the tax side are intended to take effect after the full-scale implementation of the real-name transaction system. The planned global income tax cut, complementary to the financial sweep in nature, is also designed to match the drastic slash in corporate income tax proposed in the economic revitalization package taken Monday.

To legislate the ambitious reform plan, the government is going to draft a special measures law. In addition, at least two existing laws -- the laws on income tax and inheritance tax -- need to be revised, while the law on the secrecy of bank deposit has to be scrapped.

The secrecy-guarantee act was first written in July 1961 and has since remained in effect. It has provided the legal basis for the non-name or anonymous financial transactions as they are now.

The government will seek legislative steps when the National Assembly goes into session in coming September. According to the government timetable, the special law is to become effective early next year, making it mandatory for all financial accounts, established after Jan. 1 next year, to carry the real name of the holders.

The non-name or anonymous transactions, Kang pointed out, have lent themselves to the best caches for tax evasions and social irregularities. "Now the country is urgently required to establish the real-name system, which is the basic premise for the introduction of market mechanism on the financial side," he said. The finance minister further noted that the reform idea, specifically directed against the curb-money market, "is not going to have any impact on the bulk of the people -- wage earners and bona fide businessmen -- the capital accumulated through normal economic activities."

Despite earlier speculation, it seems that the government has decided not to take any direct counter measures against the curb market. Kang said that once global income tax rates are lowered as much as the government wants, it will leave not much room for the existence of curb loans. Along with this, tax offensive will be strengthened greatly against curb dealings after the proposed special law takes effect, he added.

To promote the cause of the real-name accounts, while minimizing the adverse effects on the economy, the plan demands special treatment for the non-name or anonymous accounts, already established.

The extraordinary steps, which would remain effective for a certain period under certain conditions, include the exemption from retrospective taxation on financial assets. In connection with this, the government will lead financial assets of suspicious sources to real-name accounts by three stages. For example, at the first stage, extending till June 30, 1983, they will be given two choices -- a special levy of five percent of the asset value or the acceptance of the conditions the government set. The condition includes the investment in equity interest of businesses.

SIHANOUK ANNOUNCES PLANS FOR MERGER WITH SON SANN

BK021111 Hong Kong AFP in English 1028 GMT 2 Jul 82

[Text] Manila, July 2 (AFP) -- Cambodian Prince Norodom Sihanouk today announced plans for the merger of his Moulinaka guerrilla faction with nationalist leader Son Sann's Khmer People's National Liberation Front (KPNLF) to combat the Hanoi-backed Heng Samrin government in Phnom Penh.

Highly authoritative Philippine Foreign Ministry sources said Prince Sihanouk bared the merger plan during his talks this morning with Foreign Minister Carlos P. Romulo prior to the prince's meeting with President Ferdinand Marcos. The prince also said his newly-formed Cambodian coalition government, set up in opposition to the Phnom Penh administration, would campaign to retain the Cambodian seat at the United Nations and continue to explore ways for future negotiations with Vietnam.

An official Philippine Government statement said the visiting prince, who was recently chosen to head the Cambodian coalition of Democratic Kampuchea, shied away from discussing "assistance" and took up what he considered more attainable objectives.

Prince Sihanouk told Mr. Romulo he would consult (?with) Moulinaka followers on the merger [word indistinct] when he returned to Kampuchean territory after his tour of the five nations Association of Southeast Asian Nations (ASEAN). The KPNLF has about 9,000 guerrillas headed by ex-Premier Son Sann while Prince Sihanouk's troops number about 5,000. The Khmer Rouge, the biggest of the three factions in the coalition government, have about 30,000 armed guerrillas. Prince Sihanouk, according to Foreign Ministry sources, however, stressed that his faction and Son Sann's KPNLF would maintain their coalition government agreement with the Chinese-backed Khmer Rouge. He gave no further details on the merger.

Prince Sihanouk and his wife, Princess Monique, had an hour-long meeting with ranking Philippine Government officials headed by President Ferdinand Marcos, Prime Minister Cesar Virata, Foreign Minister Carlos P. Romulo and his two deputy foreign ministers.

Mr Marcos reiterated ASEAN's united stand and support for Democratic Kampuchea. He added that ASEAN was hopeful that the new group would muster enough strength to combat effectively the Heng Samrin regime in Kampuchea. He also said that the new coalition, under which Prince Sihanouk is president, Khieu Samphan vice president in charge of foreign affairs and Son Sann prime minister, had now a stronger base.

Prince Sihanouk who will be in the country for three days is on the last leg of his ASEAN tour. ASEAN leaders have played a key role in promoting the Cambodian coalition government pact, which was signed in Kuala Lumpur last month.

According to the government statement, Mr Marcos expressed optimism over developments in Kampuchea as a result of the coalition, pointing out that "if we can help sustain the morale of the democratic coalition, we may end up with some kind of negotiation" between Vietnam and the newly-merged anti-Vietnamese Cambodian forces.

SIHANOUK MEETS MARCOS, SEEKS SUPPORT AGAINST SRV

OW021301 Quezon City RPN Television Network in English 1100 GMT 2 Jul 82

[Text] Prince Norodom Sihanouk, president of the Kampuchean coalition government, sought the help of the Philippines in freeing Cambodia from its Vietnamese occupation army. Sihanouk met with the president in Malacanang in formal talks. During the meeting, the president expressed the hope that ASEAN would be able to sustain the morale [as heard] for a peaceful solution to the conflict in Kampuchea.

President Marcos described Prince Norodom Sihanouk as a seasoned diplomat who is very discreet in discussing possible ASEAN assistance to the newly formed Democratic Coalition Government of Kampuchea. In their 1-hour talk in Malacanang this morning, the president expressed ASEAN's hopes that the coalition which Sihanouk heads will be able to replace the badly criticized Pol Pot regime in the United Nations. He said: ASEAN supports the efforts of the people of Kampuchea to discourage intervention by stronger nations in the international affairs of other countries.

[Begin Marcos recording] If we can help sustain the morale of the democratic coalition, we may end up with some kind of a negotiation between those who run into the Kampuchean territory, let us say frankly, the North Vietnamese, and the democratic coalition.
[end recording]

Sihanouk is scheduled to hold a press conference tomorrow before he departs for Bangkok.

Comments on ASEAN Aid

BK030603 Hong Kong AFP in English 0520 GMT 3 Jul 82

[Text] Manila, 3 Jul (AFP) -- Cambodian resistance leader Prince Norodom Sihanouk said today he has received "Nothing at all" in terms of military aid, cash, food or medicines from the Association of Southeast Asian Nations [ASEAN]. But the prince, who departs for Bangkok today on the last leg of his ASEAN tour, said he was not "disappointed."

He said he had received encouraging notes from Malaysia, Singapore and Thailand that military or other material aid might come in the future when his Coalition Government of Democratic Kampuchea, set in opposition to the Hanoi-backed Phnom Penh government, assumes greater credibility.

This presumably refers to plans to merge the two anti-communist factions within the coalition: Prince Sihanouk's Moulinaka faction and nationalist leader Son Sann's Khmer People's National Liberation Front (KPNLF). Prince Sihanouk, the president of the coalition government yesterday announced the merger plan. But there has been no reaction from Son Sann, who is premier in the coalition while Khmer Rouge leader Khieu Samphan is vice-president in charge of foreign affairs.

In a pre-departure press conference, Prince Sihanouk said he was "very satisfied with the political, moral and diplomatic support: given by ASEAN nations at the moment. "I cannot force ASEAN to hurry," he said, adding that he has been assured that the ASEAN five would "study the coalition's problems."

The main problem, he said, was to "develop a military capability to fight and do more harm to the Vietnamese enemy and persuade them to abide by international resolutions."

Prince Sihanouk, who signed a coalition government pact with Son Sann and Khieu Samphan in Kuala Lumpur last June 22, said his ASEAN swing was aimed mainly at "thanking them for their political and moral support." He said he was assured by Singapore, Indonesia and the Philippines, which he visited after the Kuala Lumpur Cambodian resistance summit, that the ASEAN five would continue to campaign vigorously for Democratic Kampuchea's retention of the Cambodian United Nations seat.

However, he explained that the coalition's primary goal now was to "fight, develop our military capability to do more harm to the enemy and persuade them (Vietnamese) to abide by the United Nations' resolutions" seeking a complete withdrawal of foreign forces followed by U.N.-supervised elections in Cambodia. He said he would proceed, after his Bangkok visit, to Cambodia to chair meetings of his government. "The international community will see that we do have areas under our control," he added.

Prince Sihanouk said ASEAN had indeed expressed hope that the anti-communist factions of the coalition would eventually equal the strength of the Chinese-backed Khmer Rouge which boasts of about 30,000 armed guerrillas.

"Singapore, Malaysia and Thailand let me know that if the nationalist camps unite, they will enjoy more credibility and will get military aid," he said.

"Son Sann and I agree that as far as manpower is concerned, we have no problem," adding that they are presently planning to merge his 5,000-strong Moulinaka guerrilla faction with Son Sann's 9,000-strong Khmer People's National Liberation Front (KPNLF). "I have explained our problems. It is up to ASEAN to decide whether to grant us more concrete aid," he noted.

He also said that he was optimistic that the "coalition will last," because its first problem was to "regain independence." He added, however, that he was "without ambition and passion" and "would not want to be held responsible for clashes among factions."

Further Remarks

OW030905 Tokyo KYODO in English 0825 GMT 3 Jul 82

[Excerpts] Manila, July 3, KYODO -- Prince Norodom Sihanouk, president of the newly formed anti-Vietnam coalition government of three Kampuchean resistance groups, said Saturday it has no intention of talking to the Hanoi-backed Heng Samrin government in Phnom Penh. The prince rejected negotiations on the grounds the Phnom Penh group does not represent even a part of Kampuchea. He claimed that the Heng Samrin regime could not exist without support from Vietnam and the Soviet Union, ruling out any contact as long as it was a mere puppet government.

The prince made the statements at a press conference here before flying to Bangkok Saturday on the last leg of his ASEAN tour to explain the June 22 declaration in Kuala Lumpur of the anti-Hanoi Kampuchean coalition

The prince dismissed Vietnamese pronouncements of a partial troop withdrawal as meaningless and deceiving. "The question is whether they are willing to let Kampuchea be independent or not," Sihanouk said.

The prince also said he was willing to drop his earlier proposal for a Geneva type conference to end the Vietnamese occupation of his country if "the majority" say so. He said he did not ask for military aid from the ASEAN group, although, he added, the coalition's armed forces will eventually have to rely on friendly countries for arms, ammunition, and equipment to fight the Vietnamese. "It will be a long struggle. Without the support of ASEAN and the free world, we cannot succeed," Sihanouk said. "It is up to ASEAN to decide."

Prime Minister Cesar Virata said Friday night the Philippines is willing to provide "humanitarian" aid to the coalition. Virata, who sat in on Sihanouk's 45-minute meeting with President Ferdinand Marcos, also quoted the Kampuchean leader as saying that China is the only country that has so far extended military aid to the coalition, which the prince said already controls a third of Kampuchean territory.

Before the press conference, he and his wife Princess Monique had an unscheduled breakfast with Mrs. Imelda Marcos, wife of the Philippine president. "The first lady told me that each time she goes abroad, she will not only be the ambassador of the Philippines but also of Kampuchea," Sihanouk said.

Asked about his role in the coalition government, Sihanouk, 60, said he was a changed man. When he was a "young and charismatic leader," he failed to serve his country in the best possible manner.

SIHANOUK'S 3-DAY VISIT TO THAILAND REPORTED

Arrives in Bangkok

BK031252 Bangkok Domestic Service in Thai 1200 GMT 3 Jul 82

[Text] President of Democratic Kampuchea, Prince Norodom Sihanouk, Princess Monique, In Tam and a four-man delegation arrived at Don Muang International Airport at 1710 today on board Thai International flight TG639 from the Philippines to pay a 3-day official visit to Thailand. They were greeted on arrival by Foreign Minister Air Chief Marshal Sitthi Sawetsila, his wife and other senior Thai officials.

Prince Sihanouk gave a brief statement to newsmen, saying that he is pleased to be making a visit to Thailand today and is happy at the warm reception accorded by the Thai people. He is very happy to have another opportunity to visit Thailand. However, he excused himself from answering newsmen's questions at this time.

The foreign minister then introduced Prince Sihanouk to the ambassadors of ASEAN countries and the Chinese ambassador to Thailand. Prince Sihanouk and his party then proceeded to Erawan Hotel where he will stay during his official visit. Tonight at 2000 the foreign minister will host a dinner in honor of Prince Sihanouk and his party at the Foreign Ministry. At 0830 tomorrow Prince Sihanouk is scheduled to meet with Prime Minister Gen Prem Tinsulanon at Phitsanulok House.

Meeting With Prem

BK040706 Bangkok Domestic Service in Thai 0530 GMT 4 Jul 82

[Text] According to Wanida Chitman, deputy spokesman of the prime minister's office, at 0830 Prince Norodom Sihanouk called on Prime Minister Gen Prem Tinsulanon at Phitsanulok House. He was welcomed there by the following senior Thai officials: Foreign Minister Air Chief Marshal Sitthi Sawetsila; Deputy Foreign Minister Arun Phanuphong; and Lt Gen Chantharakhup Sirisut, secretary general to the prime minister. Prince Sihanouk was accompanied by In Tam and Buor Herl.

The prime minister hosted a breakfast for Prince Sihanouk and his delegation. The prime minister made a speech welcoming the prince. Replying, Prince Sihanouk said he is very happy to be the first guest at Phitsanulok House. He thanked the Thai Government and people for their warm reception. In particular, he expressed his appreciation for Thailand's assistance to the Kampuchean people at a time of hardship as if they were relatives. The Kampuchean and Thai people have close cultural and religious ties as they have long been neighbors. Prince Sihanouk said he is extremely grateful for the opportunity to have an audience with their majesties the king and queen and for their continued kindness toward the Kampuchean refugees.

The prime minister said the Thai Government has tried its best to provide humanitarian assistance to the Kampuchean refugees. He congratulated the successful establishment of the coalition government which will benefit the Kampuchean people, eventually enable the large number of Kampuchean refugees in Thailand to return to their motherland and contribute to peace and stability in this region.

Prince Sihanouk then summed up his visit to the other four ASEAN countries as very successful, saying that the ASEAN leaders are elated with the establishment of the Coalition Government of Democratic Kampuchea and they have expressed readiness to support diplomatic and political efforts for a resolution of the Kampuchean problem in accordance with the UN resolutions and the recommendations of the International Conference on Kampuchea. Prince Sihanouk said the ASEAN countries support him as the representative of the coalition government at the nonaligned conference in Baghdad, Iraq in mid-September and at the UN General Assembly in the same month. The prime minister expressed his support for this stand of ASEAN.

Prince Sihanouk then noted the plan of the coalition government to hold joint consultations inside Kampuchea to formally declare the establishment of the Coalition Government of Democratic Kampuchea as soon as possible in the interest of unity and the struggle against the occupiers of Kampuchea. In discussing the formal declaration of the establishment of the coalition government, the formation of coordination committees on defense, social and cultural affairs, public relations and financial affairs will also be discussed.

Concluding, Prince Sihanouk said he was greatly impressed with the excellent reception and the classical dance performance at the reception party for him at the Foreign Ministry on the evening of 3 July. He said he had not seen classical dancing for a long time and praised the performance as very good. He said once Kampuchea is well established he would send personnel for classical dance training here because Thailand has preserved this aspect of art very well.

The prime minister said he is pleased with the close relations existing between the two countries and Thailand strongly wants to see Kampuchea and the Kampuchean people enjoy freedom, independence, peace and prosperity.

The breakfast concluded at about 0945.

Meets Japanese, U.S. Envoys

BK060922 Bangkok WORLD in English 6 Jul 82 p 3

[Text] Prince Norodom Sihanouk this morning met the American ambassador and the Minister of the Japanese Embassy Wasuke Miyake at his suite at the Erawan Hotel.

The No. 2 man at the Japanese Embassy arrived at the hotel where Prince Sihanouk and his entourage are staying at 11 a.m.. Later this morning the president-designate of the newly-formed Coalition Government of Democratic Kampuchea met U.S. Ambassador to Thailand John Gunther Dean who also visited him.

This afternoon Prince Sihanouk is expected to meet representatives of the North Korean trade mission here.

Prince Sihanouk's official visit to Thailand ends today and his future movements are shrouded in secrecy for security reasons.

KPNLF NOMINEES FOR COALITION COMMITTEES REPORTED

BK060530 Bangkok NATION REVIEW in English 6 Jul 82 p 1

[Text] A former military liaison officer for the Lon Nol government in Bangkok, a French-educated economist, an ex-director of education and a doctor from Battambang have been nominated by the Khmer People's National Liberation Front (KPNLF) to the four tripartite committees of the Coalition Government of Democratic Kampuchea, the NATION learned exclusively yesterday.

KPNLF leader Son Sann has sent the nominees to the coalition president, Prince Norodom Sihanouk. The list will be announced at the first "working session" of the Khmer coalition government "on Kampuchean soil" later this week, informed sources said.

The Khmer Rouge's list of nominees of "ministers" to be named to the four committees (equivalent to "ministries" in the usual sense) has yet to be made known.

Son Sann has nominated Col Ing Judeth to the Defence Committee. He was, before 1975, a military liaison officer posted to Bangkok for the Lon Nol government and has been active in anti-communist resistance activities since 1975, mostly in northern Kampuchea.

Col Ieng Judeth was one of the first high-ranking military officers to join the KPNLF in 1979. A close collaborator of KPNLF Commander-in-Chief Gen Dien Del, the colonel is one of the top men in Son Sann's military structure.

The KPNLF's nominee to the Economy and Finance Committee is Mr Boun Sai, a French-educated economist. He was working in Toulouse, France, before joining the KPNLF in Kampuchea and had been in charge of the resistance faction's financial affairs.

Boun Sai was writing a university thesis at the time he left France to join the KPNLF.

"When my country is free again, I would like to go back to university. The subject of my thesis will probably deal with the reconstruction of Kampuchea," Boun Sai told the NATION recently.

Son Sann's education and culture minister nominated to the three-party committee in the coalition is Mr Choy Vi, a former director general for education in the Ministry of Education in Phnom Penh before 1975. He is one of the few intellectuals who survived the Pol Pot regime.

Choy Vi spent 1975-1978 in Kampuchea and managed to flee with his family. He has been in charge of training and education programmes for the KPNLF since 1979.

Dr Bou Kheng, a doctor from Battambang, will be "minister of health" in the coalition for Son Sann's faction. Dr Bou Kheng and his brother also survived the Pol Pot genocide. After they joined the KPNLF, he has worked mostly at the Sroch Srang camp.

One source close to the talks on the technical details of the composition of the four committees (apart from the three man "inner cabinet") said yesterday that Khieu Samphan and suggested that only persons with Khmer citizenship should be nominated to the committees.

This condition could pose a problem for the Sihanoukists since some of the nominees who had been living abroad had applied and obtained citizenship of their country of resettlement.

PROBLEMS IN COALITION FORMATION PLANS REPORTED

Headquarters Site

BK040927 Hong Kong AFP in English 0856 GMT 4 Jul 82

[By Jim Wolf]

[Text] Bangkok, July 4 (AFP) -- Cambodia's three main anti-Vietnamese groups today ran into a last-minute hitch in their plan to proclaim a new union on Cambodian soil, highly reliable sources said. The sources said the leaders of the yet-to-be formalized Coalition Government of Democratic Kampuchea (CGDK) were holding an 11th-hour meeting here to overcome the snag, which concerned where to set up the new jungle headquarters.

Taking part in the discussions were Prince Norodom Sihanouk, nominal Khmer Rouge leader Khieu Samphan and Son Sann, who heads the anti-communist Khmer People's National Liberation Front (KPNLF). Prince Sihanouk, the new chief of state, held an initial round of talks with Khieu Samphan, the new vice president, here last night after arriving on the final leg of a tour of member states of the Association of Southeast Asian Nations (ASEAN). The prince then met separately with Son Sann, his new premier, for more than an hour this morning.

Son Sann was rejecting a Khmer Rouge demand that the new government be based on territory controlled by the Khmer Rouge, the sources said. The sources, Cambodian insiders who have proven reliable in the past, said Prince Sihanouk was also reluctant to set up shop on Khmer Rouge-held soil because of the ousted group's odious international image.

The last-ditch effort to break the deadlock was to start at the four-star Erawan Hotel, the Thai Government hostel for visiting dignitaries, late this afternoon.

There was no immediate indication whether the wrangle would hold up the on-site proclamation of the new coalition, which is generally expected some time this week. ASEAN officials and the Cambodian leaders have been hoping for an early proclamation to head off any possible collapse of the troubled alliance before it gets off the ground.

The three groups are united only in their opposition to the Vietnamese, who invaded Cambodia on December 25, 1978 and set up a client government in Phnom Penh after driving out the Beijing-backed Khmer Rouge. The Vietnamese resistance groups declared a loose union in Kuala Lumpur on June 22 after more than a year of negotiations on merger terms.

Immediately after conferring this morning with Son Sann, Prince Sihanouk met China's Ambassador to Thailand, Shen Ping. No details of that meeting were available.

The Cambodian informants said there had not yet been any substantive discussion of Prince Sihanouk's offer last week to fuse his forces with Son Sann's. One key reason, the sources said, was that Thailand was "unenthusiastic" about the plan, possibly because it considers it premature with the simple mechanics of the new government yet to be worked out.

If confirmed, Thailand's reluctance would contrast with the reported positions of Singapore and, to a lesser extent Malaysia, identified by Prince Sihanouk as the prime movers behind it. In Singapore on June 29, the prince said ASEAN, the guiding hand behind the coalition agreement, wanted the merger of non-communist forces before offering it any material assistance.

Last night, in a brief comment during a banquet here in Prince Sihanouk's honor, Son Sann said the proposed merger of non-communist forces "seems like a good idea."

Khieu Samphan, though invited, did not attend last night's dinner, at which Thailand signalled what appeared to be formal recognition of the new CGDK. In a dinner speech. Thai Foreign Minister Sitthi Sawetasila declared that it was "an honor for us to greet you (Sihanouk) as president of Democratic Kampuchea." The prince will be granted an audience with Thailand's King Phumiphon Adunyadet tomorrow and is to visit a Cambodian refugee camp on Wednesday.

Details of his planned movements after that, notably the date, time and place of his return to Cambodia, have not yet been made public, partly for security reasons and also because the prince himself apparently does not yet know. According to one well-informed West European diplomat, the prince will remain in Cambodia until about mid-July when he may come to Bangkok again for talks with Austrian Foreign Minister Willibald Pahr, who chaired a United Nations-sponsored conference on Cambodia in July 1981. Mr Pahr is due in Bangkok July 16-19 after a two-day visit to Hanoi in his capacity as Austrian foreign minister.

News Blackout Imposed

BK051130 Hong Kong AFP in English 1100 GMT 5 Jul 82

[By Jim Wolf]

[Excerpts] Bangkok, July 5 (AFP) -- Cambodia's three main anti-Vietnamese groups today imposed a news blackout on a reported snag in their plan to proclaim a new union on Cambodian soil. Leaders of the yet-to-be formalized Coalition Government of Democratic Kampuchea (CGDK) and their top aides were withholding all comment on when, where and by exactly whom the alliance would be declared.

No word filtered on a three-way meeting here last night between Prince Norodom Sihanouk, nominal Khmer Rouge leader Khieu Samphan and Son Sann, who heads the non-communist Khmer People's National Liberation Front (KPNLF).

Son Sann was reported to have left Bangkok shortly after the summit for a guerrilla zone in Cambodia, but his top aides were refusing requests for details. Prince Sihanouk was being granted an audience this evening by King Phumiphon Adunyadet of Thailand. There was no word on the exact whereabouts of Khieu Samphan.

Last night's tripartite meeting was the first at summit level since the signing of the coalition pact in Kuala Lumpur on June 22 after more than a year of negotiations over its terms.

Apart from the reported flap over where to set up the headquarters, observers noted there had not been word of agreement on the makeup of the four planned "coordination committees" that are to act as tripartite ministries. The names of these members of the government are to be released officially when the coalition is proclaimed in Cambodia, probably very close to Thailand's eastern border.

SRV Attacks Postpone Plans

BK050804 Bangkok WORLD in English 5 Jul 82 p 1

[Excerpt] Vietnamese attacks forced postponement yesterday of plans to form the coalition government in northern Kampuchea, diplomatic sources said.

Prince Norodom Sihanouk cancelled a planned trip to enter Siem Reap Province to declare the coalition official with a meeting between him Son Sann and Khieu Samphan.

The prince today will remain in Thailand to visit the giant Khao I Dang refugee camp north of Aranyaprathet.

About half of the 90,000 Khmer refugees in Thailand are at Khao I Dang, and Sihanouk's first visit ever to a refugee camp is expected to be an emotional one.

Sihanouk To Return by 10 July

BK061001 Hong Kong AFP in English 0945 GMT 6 Jul 82

[Text] Bangkok, July 6 (AFP) -- Prince Norodom Sihanouk and his two uneasy allies have agreed on a D-day for formalizing their anti-Vietnamese coalition on Cambodian soil by Saturday [10 July], diplomats said today.

The diplomats, relaying the best information available, were unwilling or unable to say precisely when and where the much-discussed proclamation ceremony would take place. They said the prince would dart across Thailand's eastern border to a new tripartite headquarters "some time" during a three-day visit to the area starting tomorrow. Joining him will be his partners in the new Coalition Government of Democratic Kampuchea -- Khmer Rouge leader Khieu Samphan and anti-communist chief Son Sann, who heads the Khmer People's National Liberation Front (KPNLF).

Both Son Sann and Khieu Samphan, who are based in the bush near Thailand, have already left Bangkok where the three ironed out final hitches after Sihanouk flew in Saturday. The prince, who is expected to return here by Saturday, is to begin his homecoming with what are certain to be tumultuous visits to Cambodian refugee camps in the border area.

Agreement on the D-day plans came after the Khmer Rouge and Son Sann's KPNLF, still deeply suspicious of each other, struck a deal on where to pitch camp together.

According to Cambodian sources, they had been at loggerheads once again over a reported Khmer Rouge insistence that the government be set up in Khmer Rouge-controlled territory.

Son Sann was said to be reluctant to yield because of the tainted image of the Khmer Rouge, who turned Cambodia into a kind of vast terror-stalked work camp from April 13, 1975 until Vietnam drove them from Phnom Penh 44 months later.

The Cambodian resistance groups set up their loose alliance in Kuala Lumpur on June 22 after more than a year of difficult negotiations over merger terms. The plan to formalize the pact on home ground is important mainly for appearances sake, especially to counter any suggestion it is a government-in-exile. The government is being formed under the banner of Democratic Kampuchea, a member state of the United Nations.

HUN SEN INTERVIEWED ON KHMER COALITION

BK050523 Phnom Penh SPK in French 0432 GMT 5 Jul 82

[Text] Phnom Penh, 5 Jul (SPK) -- This morning, prior to his departure for the 6th for ministers conference of the three Indochinese countries which will be held in Ho Chi Minh City on 6 July, PRK Foreign Minister Hun Sen gave an interview to SPK.

Here are the questions and answers:

Question 1: The president of the so-called "Coalition Government of Democratic Kampuchea" is now visiting Thailand. Comrade minister, can you give us your opinion on this subject?

Answer: While trailing behind the Chinese hegemonist-expansionists in collusion with the U.S. imperialists in the supply of arms, ammunition and food and in the granting of "sanctuaries" to the remnants of the Pol Pot army and other reactionary Khmer forces, the Thai authorities have nonetheless continued to proclaim a policy of "neutrality." At present, they have unmasked themselves by welcoming the disguised Pol Pot gang and creating favorable conditions for them to carry out their activities against the rebirth of the Kampuchean people. The PRK Government severely condemns this gross interference by the Bangkok authorities in the internal affairs of Kampuchea.

Question 2: According to the Western press, the three reactionary Khmer groups will meet in the Kampuchean-Thai border region, either in Kampuchean territory or in the "sanctuaries" in Thai territory. What is your opinion?

Answer: It is publicly well known that the Pol Pot clique and other reactionary Khmer forces are spit upon by the Kampuchean people. Therefore, they do not have any refuge in Kampuchean territory. It is thus impossible for them to have such a meeting if they do not enjoy the aid of the Thai authorities in terms of welcome and security matters, in the preparation of the meeting site and in other facilities. People of good conscience should ask themselves the following question: What would the Bangkok authorities think if anyone of their neighbors proceeded in the same manner against them. What an irony when Thai Prime Minister Prem Tinsulanon casually declared that the formation of the so-called "Coalition Government of Democratic Kampuchea" strengthens the security of Thailand.

Question 3: Comrade minister, would you please tell us about the foreign policy of the PRK?

Answer: The PRK practices of foreign policy of peace, friendship and cooperation with all peoples, first of all with neighboring countries -- especially with Thailand -- in order to build a region of peace and stability together.

On this occasion, I would like to remind our Thai friends of our good will by quoting the following passage from a letter Chairman Heng Samrin sent to the Thai prime minister on 23 October 1979: "Kampuchians and Thais must live together for centuries to come whatever their respective political regimes.

"Loyal to the tradition of Kampuchean-Thai friendship, in the long-term interests of our two countries and in the interests of peace and stability in Southeast Asia, the PRK would be very pleased to bind with the Kingdom of Thailand relations of good neighborliness and cooperation based on the principles of mutual respect for independence, sovereignty and territorial integrity, of noninterference in the internal affairs of each country, of equality and of reciprocal benefit."

HUN SEN, DELEGATION DEPART FOR INDOCHINA CONFERENCE

BK050458 Phnom Penh SPK in French 9443 GMT 5 Jul 82

[Text] Phnom Penh, 5 July (SPK) — A delegation of the PRK Foreign Affairs Ministry led by its minister, Hun Sen, vice chairman of the Council of Ministers, left Phnom Penh today to participate in the 6th conference of foreign ministers of the three Indochinese countries to be held in Ho Chi Minh City.

He was seen off at his departure by Kong Korm, vice minister of foreign affairs, and other personalities. Also present at the departure of the delegation was Ngo Dien, ambassador of Vietnam to Kampuchea, and Khamphan Vilachit, ambassador of Laos to Kampuchea.

KAMPUCHEA SUPPORTS SOVIET NUCLEAR POLICIES

BK021016 Phnom Penh SPK in French 0357 GMT 2 Jul 82

[Text] Phnom Penh, 2 Jul (SPK) — The newspaper KAMPUCHEA has stressed that the declaration by the USSR that it will not be the first to use nuclear weapons responds to the aspirations of the peoples of the world and to the interests of peace.

In a commentary published on 1 July, KAMPUCHEA recalled the proposals put forward by the USSR at the 36th UN General Assembly which won the support of many countries.

Presently, the newspaper said, there are two noteworthy tendencies: The USSR, the socialist community and the peace-loving and progressive forces in the world struggle to stop the arms race and to defend world peace and detente and the sovereignty and freedom of the peoples, while the enemies of peace and social progress -- with the U.S. imperialists as ringleader -- seek by all means to undermine detente and accelerate the arms race. They implement a policy of oppression and intervention in order to crush the national liberation movement.

The imperialists are the only ones to attempt to unleash war. Through it has signed a treaty on nuclear nonproliferation, the United States gutted it of important articles. The Reagan administration is promoting the arms race and the production of nuclear weapons and is deploying medium-range cruise and Pershing II missiles in the territory of its allies. China, itself a nuclear weapons producing country, has in collusion with the United States accused the USSR of seeking nuclear supremacy, with a view to misleading public opinion and masking its plan to produce nuclear weapons. This constitutes a threat to peace and the security of other countries, primarily in Asia.

The newspaper notes the demonstrations staged in West Europe against the policy of military adventure of the Reagan administration and NATO and against the arms race and war. The Kampuchean people fully support the Soviet proposals for peace and detente.

BANGKOK CLOSES BORDER TO 'ALL ARMED FORCES'

BK050050 Bangkok POST in English 5 Jul 82 pp 1, 3

[Excerpt] Thailand will not give arms to the new Coalition Government of Democratic Kampuchea but will provide other types of aid, informed sources reported yesterday.

This was made known to Prince Norodom Sihanouk, president of the new government, during his breakfast meeting with Prime Minister Prem Tinsulanon at his new residence, Phitsanulok House, yesterday morning. The kinds of assistance will be decided in consultations with Thailand's ASEAN partners -- Malaysia, Singapore, Indonesia and the Philippines.

"No military aid is being given because we are working on a comprehensive peaceful political solution," the sources explained. Besides, Thailand does not possess enough arms and ammunition to give out as aid.

It was also explained to the prince that to prevent the conflict in Kampuchea from spilling into Thailand all armed forces, no matter who they are, will not be allowed to cross the border to Thai territory, or use it as staging areas. The ruling equally applies to forces of the Khmer Rouge, the Khmer People's National Liberation Front (KPLNF) and the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia (FUNCINPEC) as well as to the Vietnamese and Heng Samrin forces. No operational headquarters will be permitted to be set up on Thai soil. These are precautions against providing the Vietnamese with "excuses" for an attack on Thailand, the sources said.

Other than the above principles, Thailand will provide all necessary assistance and take political, diplomatic, economic and other non-military measures that will help the new Coalition Government of Democratic Kampuchea attain the objectives of the resolutions of the United Nations General Assembly and the International Conference of Kampuchea (ICK).

The government headed by President Sihanouk is expected to obtain military aid from other countries. He is scheduled to visit a number of countries in Asia, Africa, Europe and the Americas and talk to international organisations about the cause of a free and independent Kampuchea.

BRIEFS

PRACHAKON THAI PARTY OFFICIALS -- Mr Samak Sunthonwet was unanimously reelected leader of the Prachakon Thai Party at a party caucus in Bangkok on Monday night. The party also appointed Mr Samak Srichan to replace Dr Bunthiam Khemaphirat as its secretary-general. Dr Bunthiam, Mr Phiphop Asitirat and Mr Sanit Kuncharoen, all executive members, were named as deputy party leaders. The caucus elected a 27-member Central Committee which includes the leader, three deputies and secretary-general. Mr Phiphop was also appointed party spokesman. [Excerpt] [Bangkok POST in English 30 Jun 82 p 1 BK]

COMMUNIQUE ISSUED ON PRC CRIMES, U.S. OVERFLIGHTS

OW051700 Hanoi VNA in English 1559 GMT 5 Jul 82

[Text] Hanoi, VNA, July 5 -- The Commission for Investigation of Chinese Expansionists and Hegemonists War Crimes Against Vietnam today issued the following communique:

In April, May and June 1982, the reactionaries in the Chinese leadership continued their type of sabotage war in many fields against the Socialist Republic of Vietnam.

The Chinese authorities have increased their military pressure: On the northern border, China deployed a large armed force and a great quantity of means of war close to the area stretching from Marker Post 13 to Marker Post 24 in Trang Dinh District (Lang Son) and sent 30 150-mm guns to Na Nua near Marker Post 13 in Van Lang District (Lang Son) in an attempt to seize a number of heights on the Vietnamese side along the border of Lang Son Province and actively prepare for another war of aggression.

The Chinese authorities ordered their artillery of various kinds to make 53 shellings on Phong Tho (Lai Chau); the provincial capital of Lao Kai, Bat Xat and Muong Khuong (Hoang Lien Son)' Xin Man, Hoang Xu Phi (Ha Tuyen); Trung Khanh and Ha Quang (Cao Bang), killing or wounding many civilians and killing a number of cattle of the local people. On April 21, 1982 Chinese forces fired more than 40 mortar rounds on Bat Xat District (Hoang Lien Son), killing or wounding seven civilians. On June 8, 1982 over 20 artillery rounds were fired on several hamlets of Tai Ngai Cho village in Muong Khuong District (Hoang Lien Son), killing or wounding five civilians. On June 16, 1982, Chinese troops fired many barrages of artillery on Thuong Phung Village, Meo Vac District (Ha Tuyen), killing a number of cattle of the local population.

The Chinese reactionaries also ordered their troops to make 67 intrusions into Quang Ha in Hai Ninh (Quang Ninh); Dinh Lap (Lang Son); Trung Khanh in Tra Linh (Cao Bang); and Vi Xuyen (Ha Yuyen), for the purpose of killing and looting. Most serious is that on April 24, 1982 some 300 Chinese soldiers and militiamen in uniform used sledgehammers, steel bars and explosives to damage an additional five metres of the Thoang Khoang Dam in Ngoc Khe Village, Trung Khanh District (Cao Bang). Earlier, on January 13, 1982 Chinese troops had used four explosive charges to damage ten metres of the dam. The combined effect of the sabotage caused serious damage to the dam and the flooding of more than 60 hectares of cultivated land. Moreover, on May 19, 1982 Chinese troops from the other side of the border opened fire on villagers who were repairing the dam, seriously wounding two of them.

In addition to armed provocations along the border, Chinese aircraft made thousands of sorties and Chinese armed vessels carried out thousands of operations close to or into Vietnamese airspace and territorial waters. Worthy of note is that on April 19, 1982 a flight of Chinese aircraft intruded from eight to ten kilometres into the airspace of Cao Bang Province; on June 21, 1982 two Chinese gunboats sailed 700 metres deep into Da River in Muong Te District (Lai Chau); on June 13, 1982 thirty Chinese vessels and boats intruded into Bac Luan River mouth (Quang Ninh). In the meantime, the Chinese authorities slanderously charged Vietnam with attacking their vessels and boats in the Tonkin Gulf. The Chinese side continued its proposterous claim over Vietnam's Hoang Sa archipelago they had occupied, and are actively building there a large harbour to serve as a military base, in violation of the independence, sovereignty and territorial integrity of the Socialist Republic of Vietnam.

Besides their hostile military acts against Vietnam, the Chinese authorities brazenly stepped up the espionage and psychological warfare. On the one hand, they sent scouts and commandos into Vietnam to conduct sabotage and establish bases, and on the other, they sent a number of Vietnamese reactionaries, who had fled abroad and had been fed and trained by China, back into the border provinces of Quang Ninh, Lang Son, Cao Bang, Ha Yuyen, Hoang Lien Son ... to build counter-revolutionary bases aimed at fomenting rebellions.

Over the past months, the Chinese side has introduced leaflets of more than 120 kinds into Vietnam in order to join their broadcasting systems and press in slinging mud at the home and foreign policy of the Vietnamese party and state, slanderously charging Vietnam with "lack of goodwill", "straining the Sino-Vietnamese relations", "ingratitude", etc.

China's hostilities against Vietnam have been helped and encouraged by U.S. imperialism and other international reactionary forces. Over the past months, U.S. electronic planes made dozens of reconnaissance flights over the areas off the Vietnamese coast from Nghe Tinh to Phu Khanh provinces.

In particular, on June 25, a flight of U.S. electronic spy aircraft flew 40 minutes over an area about 40 kilometres off the Quy Nhon coast. Troops of the U.S. and a number of Southeast Asian countries conducted joint military operations including landing operations involving different services, thus exacerbating the situation in the region and in the world as a whole. While repeating their false accusations about "Vietnam's invasion of Thailand", "Vietnam's attacks on U.S. vessels" and "Vietnam's use of toxic chemical in Laos and Kampuchea", the U.S., China and their henchmen have left no stone unturned to prevent international organizations and a number of governments from granting humanitarian aid for Vietnam. At the same time, they made intense efforts to team up the genocidal clique and other Kampuchean reactionaries in the so-called "Coalition Government of Democratic Kampuchea" with a view to opposing Vietnam and the [word indistinct] and bringing about a serious confrontation between the Indochinese and A.S.E.A.N. countries.

The above-said criminal acts by the Chinese ruling circles in collusion with U.S. imperialism have once again revealed their deceptive claims about peace and friendship, and constitute blatant violations of Vietnam's national independence, sovereignty and territorial integrity.

The Commission for Investigation of Chinese Expansionists and Hegemonists' War Crimes Against Vietnam denounces before the public at home and abroad these crimes and demands that the Chinese authorities stop immediately all their hostile acts and manoeuvres against the Socialist Republic of Vietnam.

PEOPLE DESIRE RESTORATION OF SRV-PRC FRIENDSHIP

OW032132 Hanoi International Service in Mandarin 1230 GMT 29 Jun 82

[Radio talk: "The Vietnamese People Are Willing To Keep Their Friendship With the Chinese People Intact"]

[Text] The Vietnamese people, like the Chinese people, regret the sudden discontinuation of the close comradely and fraternal friendship between Vietnam and China 3 years ago. For a long time, the Beijing authorities have turned the Vietnamese-Chinese border of peace and friendship into a battlefield. The Beijing authorities sent 600,000 troops to invade Vietnam, destroyed towns, villages, farmland, factories, enterprises, hospitals and schools in six northern Vietnamese provinces, and committed bloody crimes against the Vietnamese border residents. The world public sternly denounced the armed aggression launched against Vietnam by the Beijing authorities in February 1979. The Chinese people also whipped up an angry tide to condemn the Beijing leaders' betrayal. The Chinese people regard the war of aggression against Vietnam in February 1979 as a blemish on the history of China.

To deceive the Chinese people, the present Beijing leaders are playing the trick of putting the blame on others and distorting facts. They slander Vietnam for being ungrateful, following the Soviet Union to oppose China and undermining Chinese-Vietnamese friendship. The reactionary Beijing ruling clique and its psychological warfare and propaganda apparatus talk endlessly in sweet words about maintaining Chinese-Vietnamese friendship and advertising that they are exerting their utmost to restore the Vietnamese-Chinese friendship which was cultivated by Chairman Ho Chi Minh.

The Beijing authorities even make great efforts to lavish praise on Hoang Van Hoan, a scum of our nation who has been sentenced to death by the Vietnamese people. They are talking such nonsense as "Hoang Van Hoan has joined the Chinese people in a struggle to restore Vietnamese-Chinese friendship." This is indeed absurd.

There is a long friendship between the Vietnamese and Chinese peoples. The Vietnamese people have a very profound friendly feeling for the Chinese people. The friendship is fully shown in Chairman Ho Chi Minh's words "profound kindness, affectionate relationship and long friendship." In the past, the Vietnamese and Chinese people fought side by side and established close militant unity and friendship in the long arduous struggle against imperialism, colonialism and feudalism. The Vietnamese people treasure friendship with the Chinese people very much. They sincerely thank the Chinese people for giving tremendous assistance. At the same time, the Vietnamese people are proud that they have successfully fulfilled their obligations to the fraternal Chinese people as they should fulfill them.

The Chinese leaders once said: Vietnam is the front. The Vietnamese people have made great sacrifices not only for the cause of liberation of their Vietnamese fatherland, but also for the defense of the Chinese people. It is China's bounden duty to aid Vietnam.

The lofty and profound friendship between the Vietnamese and Chinese people is immeasurable. The Beijing authorities attempted to use their aid to force Vietnam to attach itself to China. In violation of the Chinese people's national interests, the present Beijing leaders are following the imperialists and uniting with U.S. imperialism, Japanese militarism and all other reactionary forces to recklessly pursue an anti-Soviet and anti-Vietnamese policy and seriously undermine Vietnamese-Chinese friendship. They meaninglessly sacrificed 60,000 Chinese youth in the war of aggression against Vietnam. Deng Xiaoping flagrantly said: The attack on Vietnam is launched for others to watch. Therefore, we don't mind losses. It was just for this reason that Deng Xioping ruthlessly let those 60,000 troops die. Nevertheless, the Chinese people did not want that war. Only U.S. imperialism wanted it.

The Vietnamese people, like the Chinese people, are longing for peace and friendship and earnestly hope that peace and tranquillity will exist forever and the people of both countries will live in harmony in the Vietnamese-Chinese border area. Just as the political report of the Fifth National Congress of the Vietnamese Communist Party pointed out: The Vietnamese people resolutely struggle to smash the Chinese power-holders' schemes to annex and invade Vietnam. However, the Vietnamese people are willing to keep their friendship with the Chinese people intact and adhere to the policy of friendly and goodneighborly relations with the Chinese people. Vietnam stands for settlement of all disputes through negotiations and restoration of the normal relations between Vietnam and China on the basis of peaceful coexistence and mutual respect for each other's independence, sovereignty and territorial integrity. We believe that the wishes of the Vietnamese and Chinese people for peace will surely come true in Vietnam and China. No enemy can undermine the profound Vietnamese-Chinese friendship which has taken deep roots in the hearts of the Vietnamese and Chinese people.

HANOI SCORES THAI-KHMER COALITION RELATIONS

BK021645 Hanoi International Service in English 1000 GMT 2 Jul 82

[Station commentary]

[Text] Thai Prime Minister Prem Tinsulanon told a press conference on 23 June that the setting up of the coalition government of three Khmer resistance groups in exile is beneficial to Thailand's security. In his words, the stronger the tripartite coalition, the better the Thai-Kampuchean border situation. Also, the Thai leader said his country would consider military aid and other forms of aid for the Khmer coalition government.

Our radio has this commentary: The Thai prime minister's statement should not pass without comment, since it leaves one with much doubt about the real situation along the Thai-Kampuchean border. In fact the presence of Khmer bandits on Thai soil in the past few years has been a heavy burden on Thailand's economic, political and security affairs. More than once the remnants of the Pol Pot genocidal clique got involved with fighting for their own interests and even clashed with Thai Government troops. Not a few officials in the Prem government have grumbled about these mixups. Indeed, one can hardly understand why Prem Tinsulanon reasoned that the tripartite Khmer coalition government is beneficial to Thailand's security. But one thing is certain: A number of Thai authorities joining the Chinese expansionists and the U.S. imperialists in this political gamble have been hoisted with their petard. This dangerous precedent will encourage Beijing to gather and force the rebel groups to oppose other Southeast Asian countries from within.

The three Khmer reactionary groups in exile are also Beijing's henchmen, like the Maoist rebel groups in Thailand. One still remembers that while seizing power in Phnom Penh, the Pol Pot genocidal clique not only provoked Vietnam and Laos, but many times crossed the border into Thailand for plunder and sabotage. At that time, Pol Pot's representatives met on Kampuchean territory with leaders of Maoist rebel groups from Thailand to discuss the coordination of subversive activities. Notably, there are now grumblings in some Southeast Asian capitals that the Pol Pot bandits have secretly sold China-supplied weapons to some Maoist rebel groups in Thailand. Whether Prem Tinsulanon had heard of these grumblings or not before pledging to proceed with military aid to the Khmer coalition government, this regrettable thing will not affect the Khmer nation's resurrection. It is widely believed that the so-called coalition government of three Khmer reactionary groups in exile is merely cheap makeup for the Pol Pot genocidal clique or something like a [words indistinct] to keep its political corpse from rotting.

Probably it is because of Beijing's cheap sale of some crude oil and cement to Thailand. But the Chinese are pragmatic and not foolish at all. They have just thrown a small fish to draw Thai authorities into opposing the Indochinese countries. In so doing, they hope to weaken both Thailand and Indochina in order to annex one country's after another. To pit one nation against another is a devilish crime of the Chinese authorities which will do more harm than good to Thailand's security and relations with the Indochinese countries.

A Thai proverb says a [word indistinct] can make a river and three households a hamlet. The peoples of Vietnam and Thailand have long established their neighborhood. Now would be the time to promote close cooperative relations. Of course, Thailand and Vietnam still have some differences, but share a common aspiration for a Southeast Asia of peace and stability. So the best way is to sit together to clear up our differences. We have made some progress in this direction. The solution of the problem now depends solely on the other side.

LE DUAN RETURNS FROM USSR 'VACATION'

OW021504 Hanoi VNA in English 1451 GMT 2 Jul 82

[Text] Hanoi, VNA, July 2 -- Le Duan, general secretary of the Communist Party of Vietnam Central Committee, returned here today after spending his vacation in the Soviet Union at the invitation of the Communist Party of the Soviet Union Central Committee.

He was welcomed back by Truong Chinh, Political Bureau member of the party Central Committee and president of the Council of State; Pham Van Dong, Political Bureau member of the party Central Committee and chairman of the Council of Ministers; Le Duc Tho, Political Bureau member and secretary of the party Central Committee; Van Tien Dung, Political Bureau member of the party Central Committee and minister of defence; To Huu, Political Bureau member of the party Central Committee and vice-chairman of the Council of Ministers; Nguyen Co Thach, alternate Political Bureau member of the party Central Committee and minister for foreign affairs; and other senior party and state leaders. Soviet Chargé d'Affaires A.I. Igor Ognetrov was also present.

VCP GROUP RETURNS FROM BULGARIA; MET BY LE DUC THO

OW51010 Hanoi VNA in English 1553 GMT 5 Jul 82

[Text] Hanoi, VNA, July 5 -- The delegation of the Communist Party of Vietnam which had attended the celebration of G. Dimitrov's birth centenary and an international seminar on "G. Dimitrov and Our Time" in Bulgaria returned here today.

The delegation, led by Vo Chi Cong, Political Bureau member and secretary of the C.P.V. Central Committee, was met by Le Duc Tho, Political Bureau member and secretary of the C.P.V. Central Committee; Nguyen Vinh, member of the C.P.V. Central Committee and director of the Institute of Marxism-Leninism; Vu Quang, member of the C.P.V. Central Committee and head of the External Relations Commission of the C.P.V. Central Committee; Alexandre Itov, Bulgarian charge d'affaires ad interim; and others.

VICE FOREIGN MINISTER MEETS SOVIET COUNTERPART

OW031640 Hanoi VNA in English 1454 GMT 3 Jul 82

[Text] Hanoi, VNA, July 3 -- On his way home from the second special session of the U.N. General Assembly on disarmament, Vice-Minister for Foreign Affairs Vo Dong Giang was received by Soviet Vice-Minister for Foreign Affairs N.P. Firyubin in Moscow on Thursday. The two discussed matters of common concern in a very friendly atmosphere.

PHAM HUNG MEETS PUBLIC SECURITY FORCES

OW032358 Hanoi Domestic Service in Vietnamese 1100 GMT 3 July 82

[Text] A report from a Ho Chi Minh City-based Voice of Vietnam correspondent says that recently Comrade Pham Hung, member of the Political Bureau, vice chairman of the Council of Ministers and concurrently minister of interior, attended and addressed a meeting of the city's grassroots-level public security forces.

After praising these forces' achievements, Comrade Pham Hung stressed the new situation and tasks, exposed the enemy's perfidious schemes, and gave directives on a number of specific tasks that should be carried out urgently and efficiently in order to foil the acts of sabotage by the imperialists-Beijing expansionist clique; preserve political security, public order and social security; make worthy contributions to national defense and nation-building undertakings; and be worthy of the people's trust and love. Then, Comrade Pham Hung cordially got in touch with and attentively listened to the views of a number of representatives.

NGUYEN CO THACH GREETES ALBANIAN COUNTERPART

OW051953 Hanoi VNA in English 1546 GMT 5 Jul 82

[Text] Hanoi, VNA, July 5 -- Foreign Minister Nguyen Co Thach today extended his congratulations to Reis Malile on his appointment as foreign minister of the People's Socialist Republic of Albania. Foreign Minister Nguyen Co Thach expressed his wishes for Foreign Minister Reis Malile's good health and success in his noble mission.

AUSTRALIAFRASER QUESTIONS LABOR'S STAND ON U.S. ALLIANCE

BK041215 Melbourne Overseas Service in English 1130 GMT 4 Jul 82

[Text] The prime minister, Mr Fraser, says the opposition leader, Mr Hayden, has again raised doubts about the Labor Party's commitment to the Australian-American alliance. Mr Fraser said Mr Hayden had apparently repeated the statement that Australia must be able to veto all American orders initiating military action that might go through the joint communication system at the North West Cape in western Australia. He said North West Cape was a relay station that ensured that information could always be transmitted to submarines even when they were underwater. Mr Fraser said the most urgent messages would concern American response to an aggressor and in such a situation Mr Hayden's proposed veto would be absurd. The prime minister said the North West Cape facilities were part of the American nuclear war deterrent system and Mr Hayden's position would seriously weaken the system to the detriment of the security of Australia and all other western nations. Mr Fraser said Australia would not expect to be able to dictate to the United States what messages it could send through North West Cape.

LABOR PARTY NATIONAL CONFERENCE OPENS IN CANBERRA

BK050752 Melbourne Overseas Service in English 0500 GMT 5 Jul 82

[Text] The Labor Party's national conference has opened in Canberra with a warning to the party from its president, Mr Wran, to prepare for an early election. Mr Wran said in his opening address that the conference had to assume there would be an election before the end of the year -- the fourth premature election in 8 years.

The New South Wales premier told delegates that since Prime Minister Fraser took over leadership of the Liberal Party, Australian political and economic affairs had been conducted in an atmosphere of almost perpetual electioneering. He claimed Australians had paid a heavy price for it in terms of political instability, loss of national cohesion and gross economic mismanagement.

NEW ZEALANDFRENCH NUCLEAR TEST RECORDED IN WELLINGTON

BK040811 Melbourne Overseas Service in English 0800 GMT 4 Jul 82

[Text] France is reported to have exploded another nuclear device at Muroroa Atoll in the South Pacific, the second in less than a week. The New Zealand Government's director of seismology, Dr Warwick Smith, said in Wellington that the latest test had been monitored in the Cook Islands. He said the blast had been in the range of 20 kilotons -- equivalent to 20,000 tons of TNT. Dr Warwick Smith said that in terms of nuclear tests at Muroroa Atoll, in the past 2 years, the latest blast had been quite a big one. The previous explosion was also recorded in the Cook Islands. Following that blast, as a matter of policy, France refused to confirm or deny whether it had carried out a nuclear test.

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